Products...As-Is...Business Line...Finance and Accounting

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1. Finance and Accounting

Scroll down for descriptions of objects shown in this diagram. Clicking over a function name can directly bring up related process diagrams and activity descriptions .
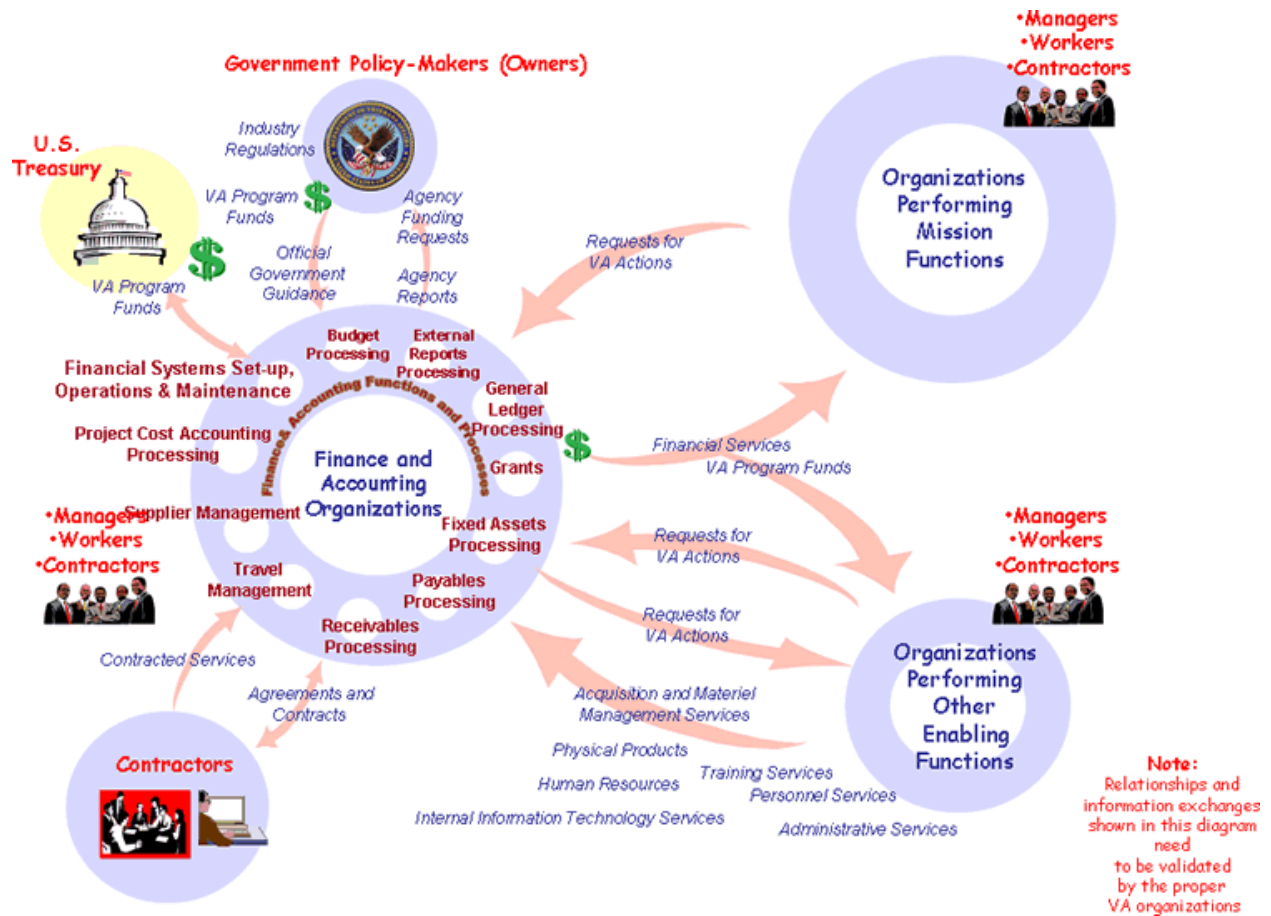
Links to Z11 (listed alphabetically)	
Name	Description
Acquisition and Materiel Management Services	Various logistics support services for the benefit of internal VA organizations. These include procurement, inventory management and delivery.

Administrative Services	Administrative services for people and groups within the VA organization.
Agency Funding Requests	Budget proposals and other forms of requests for funding that VA sends to Congress and other funding approval bodies.
Agency Reports	Standard and ad-hoc reports about VA operations that are prepared and submitted to external organizations and oversight groups.
Agreements and Contracts	Formal agreements and contracts with parties outside VA .
Contracted Services	Enterprise contractual service resources provided by organizations external to VA .
Financial Services	Enterprise financial services for people and groups within the VA organization.
Human Resources	VA employees and contractors that comprise the personnel pool under VA .
Industry Regulations	Official resource guidelines developed by outside industry regulatory groups.
Internal Information Technology Services	Internal enterprise information technology services for people and groups within the VA organization.
Official Government Guidance	Government circulars and other official guidance from external organizations that affect VA's operations.
Personnel Services	Internal enterprise personnel services for people and groups within the VA organization.
Physical Products	Physical output products intended for people and groups within the VA organization.
Requests for VA Actions	Information contained in requests for VA action coming from sources external to VA .

Training Services	Training and other skills development services available to veterans and other program beneficiaries, service partners, and other entities outside the VA organization.
VA Program Funds	Monetary resource products from external sources for use in funding VA programs.

Links to Z12 (listed alphabetically)	
Name	Description
Budget Processing	This function handles budget execution, federal report definition, and the year-end closing process.
External Reports Processing	External reporting requirements include the requirements for financial statements prepared in accordance with form and content prescribed by OMB, reporting requirements prescribed by Treasury, and legal, regulatory, and other special management reports of the agency.
Financial System Setup, Operations and Maintenance	This function establishes the general ledger structure, organizational structure, and budget structure; and supports updating associated referential tables used by multiple functions as needed, e.g., vendors, party information, etc.
Fixed Assets Processing	This function provides financial analysis for fixed (capitalized) assets, e.g., calculates depreciation, performs tracking functions, and conducts "what if" scenarios for fixed assets.
General Ledger Processing	This function provides financial controls, data collection, and financial reporting to enable Government-wide data management. It is responsible for maintaining accurate account balances, creating and processing journal entries, and closing sets of books in a timely manner; and support of production of financial reports.
Grants	This function is responsible for grant processing that handles the financing of Federal programs executed by organizations outside the Federal Government.

	Activities include issuance and administration of letters of credit, cash advancement through treasury check, grant reimbursement, and grant accounting.
Payables Processing	Payment processing within VA enables claimants, veterans, employees, other government agencies (OGAs) and vendors to receive financial benefits, compensation, salaries, reimbursements, grants, and payments for services or products. This sub-function creates financial control to prevent double payments. It also allows visibility of required information. It includes preparation, approval, scheduling, and processing of transactions that result in the disbursement of federal funds. Treasury payment processing, reconciliation, and offset programs are included in this sub-function.
Project Cost Accounting Processing	This function maintains detailed cost and billing information to monitor project performance in a format that optimizes productivity, while financial managers track the total cost of running the business. Project planning, execution, and analysis, including reporting, phases are included.
Receivables Processing	This function manages funds owed to or received by VA, and improves cash flow. It includes receipt of funds, offset of payments, and invoicing.
Supplier Management	VA currently has several vendor files spread out across the enterprise and used by various business owners in VHA, VBA, NCA, and associated staff offices. The "as is" operation for Supplier Management includes registering and maintaining multiple vendor files through master and secondary systems.
Travel Management	This function racks all travel-related obligations and expenditures, travel related invoices, storage, and relocation costs.

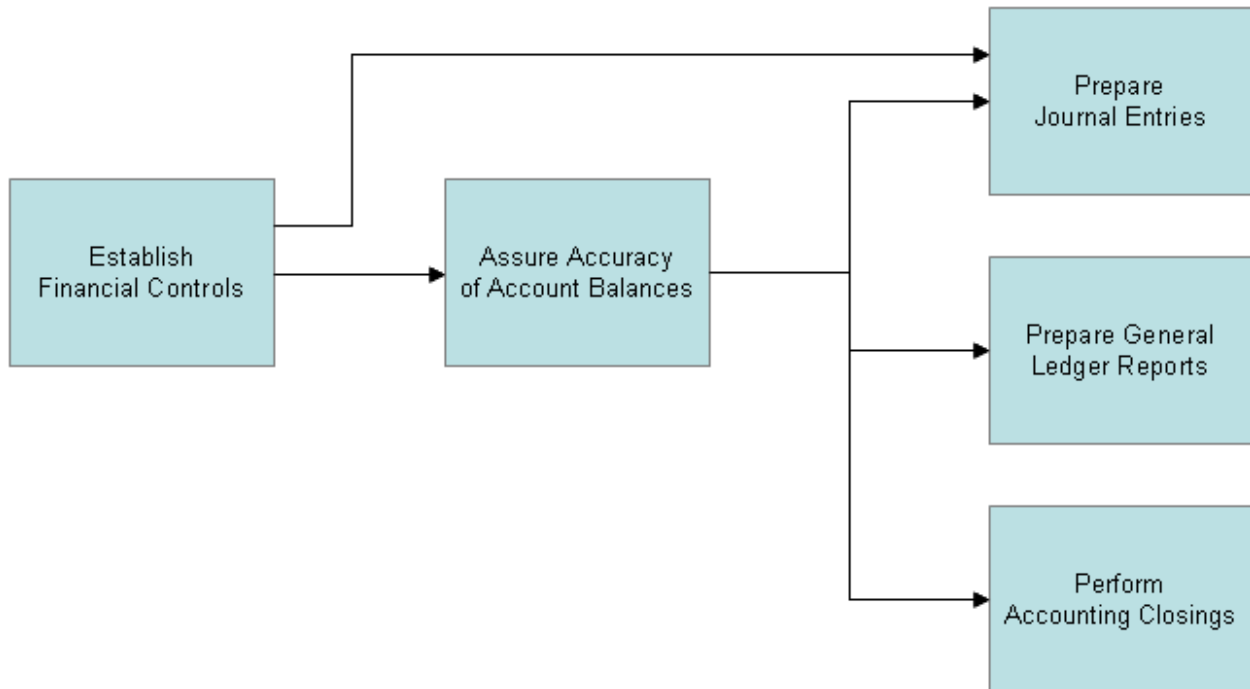| Links to Z14 (listed alphabetically)	
Name	Description

Contractors	Individuals or organizations outside of VA that work for the Department under any of the various types of contractual arrangements or fee structures.
Government Policy Makers (Owners)	A category of VA stakeholders. Stakeholders falling under this category possess the authority to create and enforce major government policies and regulations that affect the Department of Veterans Affairs.
Managers	VA employees who plan, lead, organize, and control the operations of a well-defined VA organizational unit.
Workers	Non-managerial VA personnel.

Links to Z22 (listed alphabetically)	
Name	**Description**
Budget Processing	This function handles budget execution, federal report definition, and the year-end closing process.
External Reports Processing	External reporting requirements include the requirements for financial statements prepared in accordance with form and content prescribed by OMB, reporting requirements prescribed by Treasury, and legal, regulatory, and other special management reports of the agency.
Financial System Setup, Operations and Maintenance Processing	This function establishes the general ledger structure, organizational structure, and budget structure; and supports updating associated referential tables used by multiple functions as needed, e.g., vendors, party information, etc.
Fixed Assets Processing	This function provides financial analysis for fixed (capitalized) assets, e.g., calculates depreciation, performs tracking functions, and conducts "what if" scenarios for fixed assets.

General Ledger Processing	This function provides financial controls, data collection, and financial reporting to enable Government-wide data management. It is responsible for maintaining accurate account balances, creating and processing journal entries, and closing sets of books in a timely manner; and support of production of financial reports.
Grants Processing	This function is responsible for grant processing that handles the financing of Federal programs executed by organizations outside the Federal Government. Activities include issuance and administration of letters of credit, cash advancement through treasury check, grant reimbursement, and grant accounting.
Payables Processing	Payment processing within VA enables claimants, veterans, employees, other government agencies (OGAs) and vendors to receive financial benefits, compensation, salaries, reimbursements, grants, and payments for services or products. This sub-function creates financial control to prevent double payments. It also allows visibility of required information. It includes preparation, approval, scheduling, and processing of transactions that result in the disbursement of federal funds. Treasury payment processing, reconciliation, and offset programs are included in this sub-function.
Project Cost Accounting Processing	This function maintains detailed cost and billing information to monitor project performance in a format that optimizes productivity, while financial managers track the total cost of running the business. Project planning, execution, and analysis, including reporting, phases are included.
Receivables Processing	This function manages funds owed to or received by VA, and improves cash flow. It includes receipt of funds, offset of payments, and invoicing.
Supplier Management Processing	VA currently has several vendor files spread out across the enterprise and used by various business owners in VHA, VBA, NCA, and associated staff offices. The "as is" operation for Supplier Management includes registering and maintaining multiple vendor files through master and secondary

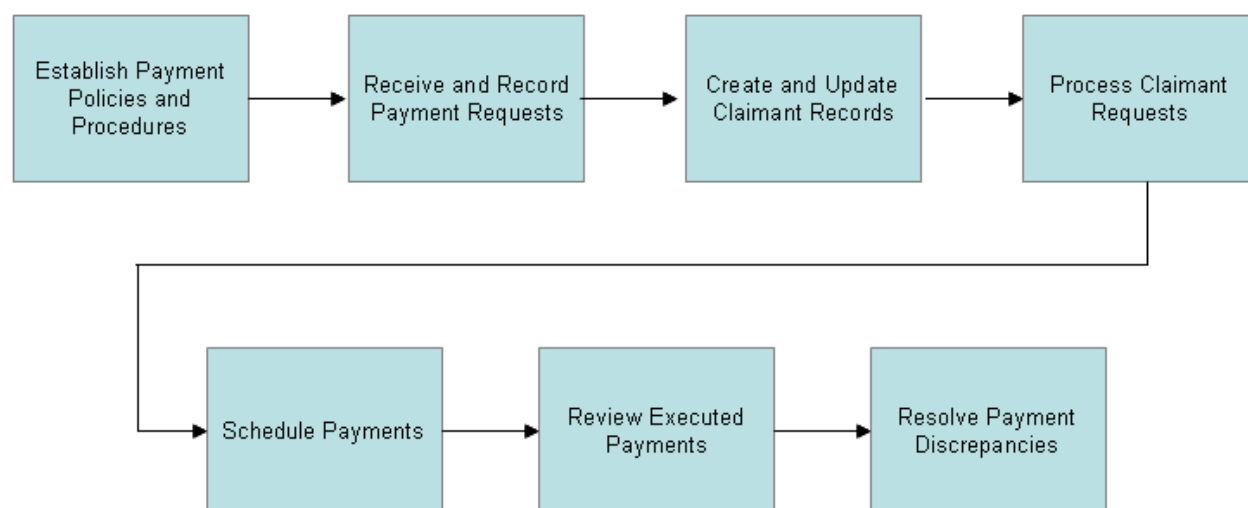|	
	systems.
Travel Management Processing	This function racks all travel-related obligations and expenditures, travel related invoices, storage, and relocation costs.

1.1. General Ledger Processing

Links to Z22 (listed alphabetically)	
Name	**Description**
Assure Accuracy of Account Balances	Monitor the accuracy of account balances via account audits and reconciliations.
Establish Financial Controls	Create and enforce financial policies and procedures that are necessary to maintain the integrity and quality of financial data.

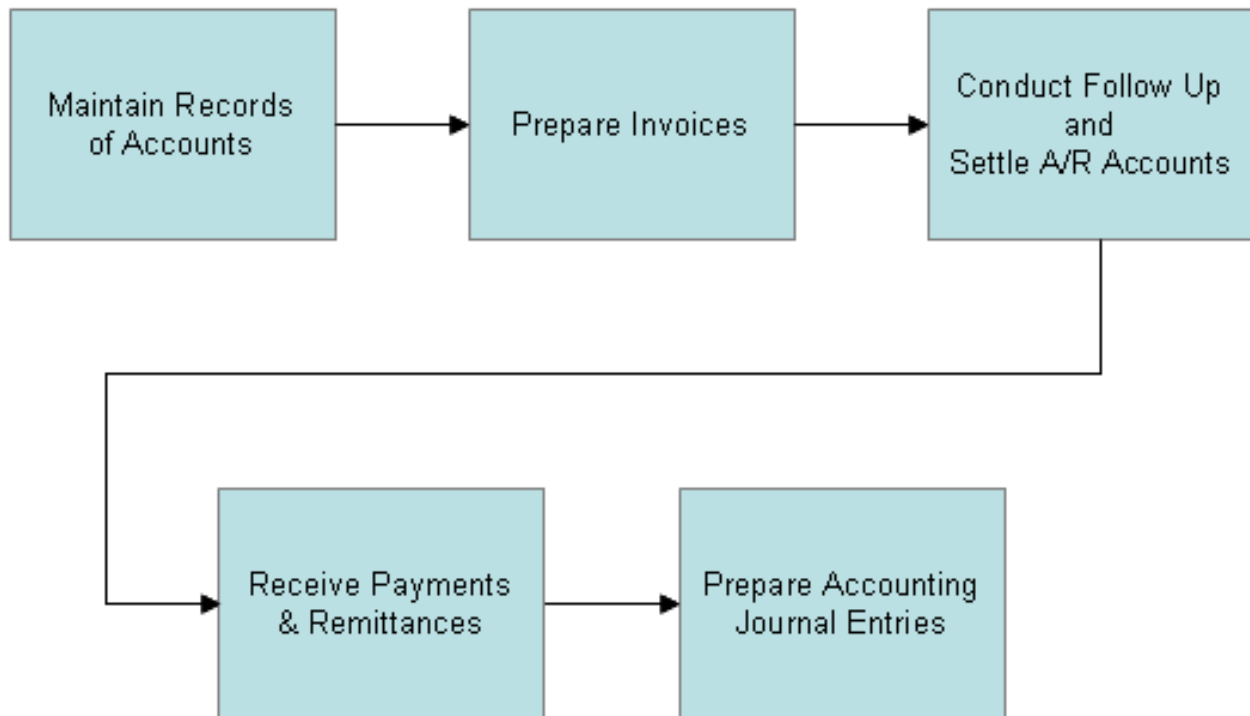|	
Perform Accounting Closings	Perform routines related to the closing of accounting books at the end of accounting periods, i.e. monthly, quarterly, or yearly. Perform the necessary closing journal entries.
Prepare General Ledger Reports	Prepare and distribute General Ledger reports that provide timely and useful financial information to support management's decision-making processes.
Prepare Journal Entries	Review and validate accounting transaction information and documents. Prepare and execute individual journal entries.

1.2. Payables Processing

Links to Z22 (listed alphabetically)	
Name	Description
Create and Update Claimant Records	Enter or update information on vendors, employees, patients, veterans and others necessary to edit and process accurate and timely payments via check or electronic funds transfer; and notifications via email.
Establish Payment Policies and Procedures	Develop and communicate policies and rules to

	govern the submission of payment claims and the processing of payables. Requests for payment must be managed by establishing specific payment rules according to governing laws and VA policies.
Process Claimant Requests	Analyze invoices, bills, contracts, and other documents, approving, auditing and/or rejecting payment transactions; and generating information for Treasury schedules of disbursement relative to accounts payable and supplier transactions. Conduct audits on selected payment requests and payment requests exceeding pre-established dollar thresholds or other limits. Compute adjustments and the net amount due.
Receive and Record Payment Requests	Receive payment requests from either individuals, other government agencies (OGA), or vendors. Record and track the status of each payment request.
Resolve Payment Discrepancies	Conduct research and resolving payment errors or discrepancies. The process is initiated with notification of a payment error from internal or external source, and results in generation of necessary adjustments and notice of resolution actions taken.
Review Executed Payments	Review payments disbursed by Treasury, charges processed by credit card users, credit card statements, and payment requirements and schedules to ensure accurate reporting of final payment information. Process may result in identification of payment errors or credit card problems.
Schedule Payments	Prepare payment and disbursement schedules for submission to Treasury. After payment is approved, a payment schedule is established. Then a schedule of check and EFT payments is submitted to Treasury for disbursement on behalf of VA.

1.3. Receivables Processing

Links to Z22 (listed alphabetically)	
Name	Description
Conduct Follow Up and Settle A/R Accounts	Prepare follow-up letters and other communications. Interface with payees and decide on receivable issues and requests. Process refunds and negotiate payment plans.
Maintain Records of Accounts	Update customer-billing information. Maintain the integrity accounting subsidiary ledgers.
Prepare Accounting Journal Entries	Prepare the proper journal entries upon invoice preparation, as well as after receipt of payments.
Prepare Invoices	Gather and review information about services rendered that are billable. Determine net amounts receivable after considering offset of payments and other related transactions with each party. Prepare and send billings to parties that owe money to the

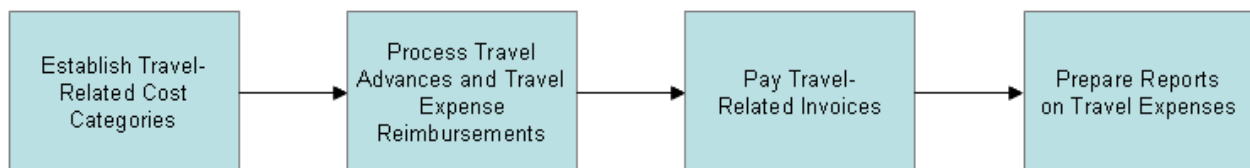|	
	Department of Veterans Affairs.
Receive Payments & Remittances	Receive payments. Acknowledge receipt of payments. Enforce late payment penalties.

1.4. Fixed Asset Processing

Links to Z22 (listed alphabetically)	
Name	Description
Prepare Financial Analyses on Fixed Assets	Analyze accounts and conduct "what-if" scenario analyses on alternative accounting treatments of fixed asset (capitalized real property and personal property) account balances.
Prepare Fixed Asset Reports	Prepare fixed asset reports that provide timely and useful financial information to support management's fiduciary role, budget formulation and execution functions, fiscal management of program delivery, and program decision making.
Update Asset Valuations	Calculate asset depreciation and execute journal entries to update the net book values of fixed assets. Recommend the most appropriate depreciation methods to use.

1.5. Project Cost Accounting Processing

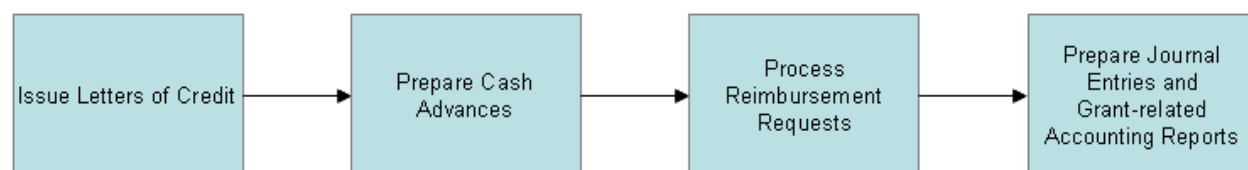| Links to Z22 (listed alphabetically)	
Name	Description
Account for Project Receipts and Expenses	Prepare journal entries for project-related receipts and expenditures. Resolve inter-project cost sharing issues.
Report Project Financial Status	Prepare financial reports that describe the financial status of each project. These Project Cost accounting reports provide timely and useful financial information to support management's fiduciary role, budget formulation and execution functions, fiscal management of program delivery, and program decision making.
Set Up Project Subsidiary Ledger Accounts	Establish a unique identifier for each project or contract. Create special subsidiary ledger account for recording receipts and disbursements by project according to their work breakdown structures.

1.6. Travel Management Processing

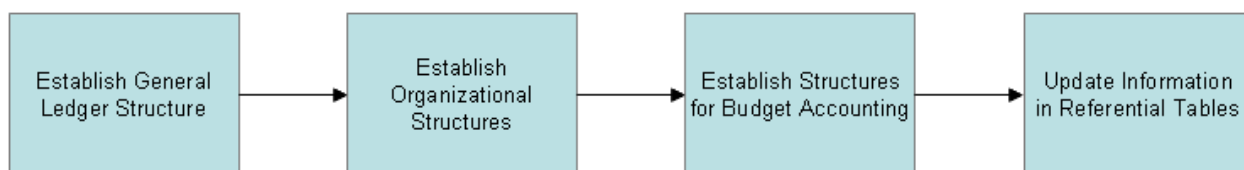| Links to Z22 (listed alphabetically)	
Name	Description

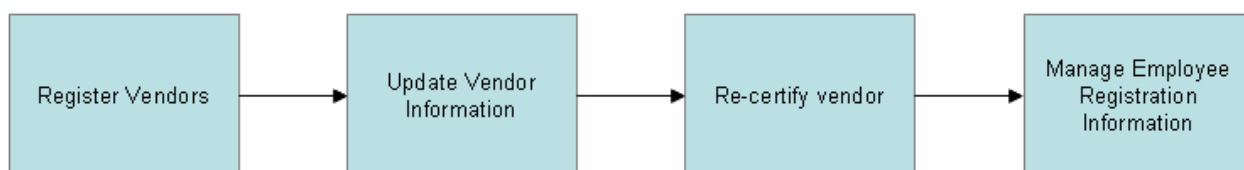|	
Establish Travel-Related Cost Categories	Set up all general ledger and subsidiary ledger accounts related to employee travel.
Pay Travel-Related Invoices	Process and pay travel-related bills from service or product suppliers. Pay storage and relocation costs for eligible VA personnel.
Prepare Reports on Travel Expenses	Prepare and disseminate periodic travel-related accounting reports and analyses.
Process Travel Advances and Travel Expense Reimbursements	Receive approved requests for travel payments. Prepare checks and process automated fund transmittals for travel advances or reimbursements. Execute the proper journal entries.

1.7. Grants Processing

Issue Letters of Credit → Prepare Cash Advances → Process Reimbursement Requests → Prepare Journal Entries and Grant-related Accounting Reports

Links to Z22 (listed alphabetically)	
Name	Description
Issue Letters of Credit	Issue and administer letters of credit for approved grant amounts.
Prepare Cash Advances	Prepare and issue grant cash advances via Treasury checks.
Prepare Journal Entries and Grant-related Accounting Reports	Review grant award documents and prepare accounting journal entries. Prepare and disseminate accounting reports as needed.
Process Reimbursement Requests	Reimburse grantees for advances they made on approved grant projects.

1.8. Financial System Setup, Operations, and Maintenance Processing

| Establish General Ledger Structure | → | Establish Organizational Structures | → | Establish Structures for Budget Accounting | → | Update Information in Referential Tables |

Links to Z22 (listed alphabetically)	
Name	Description
Establish General Ledger Structure	Set up the basic structure used for the general ledger and specific accounts and related information within that structure.
Establish Organizational Structures	Identify the government agencies to which the data is to be reported. Detailed elements include specific addressee, e.g., office and location.
Establish Structures for Budget Accounting	Set up the basic structure used for the budget-related accounts in the general ledger.
Update Information in Referential Tables	Update information on vendors, debtors, and other organizations and individuals that receive or owe payments, and/or are responsible for supplying/receiving equipment and/or services. Detailed fields include name, tax identification number, address, etc.

1.9. Supplier Management Processing

| Register Vendors | → | Update Vendor Information | → | Re-certify vendor | → | Manage Employee Registration Information |

Links to Z22 (listed alphabetically)

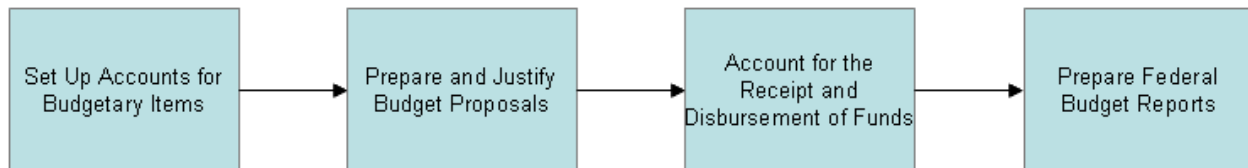| Name	Description
Manage Employee Registration Information	Manage the list of VA employees and associated data.
Re-certify vendor	Re-certify inactive VA vendors or suppliers in a demographic status database including associated information related to their product/service, TAX information, and contract.
Register Vendors	Enter and list current or potential VA vendors or suppliers in a database for the first time (enrollment).
Update Vendor Information	Maintain the list of valid and eligible VA vendors or suppliers in a database or the associated information related to their product/service, TAX information, and contract demographic status.

1.10. External Reports Processing

Links to Z22 (listed alphabetically)	
Name	Description
Determine External Reports Specifications	Determine the proper contents, formats, modes of delivery, and deadlines for external reports.
Keep Track of Federal Financial Reporting Requirements	Keep abreast with the high-level financial reporting requirements of Congress, OMB, Treasury, GAO, etc. Specific external reports required are SF-224; Federal Agency Centralized Trial Balance System (FACTS I and FACTS II); and Prompt Payment Report; IRS 1099-INT.

Produce and Send External Reports	Generate financial reports. Check the quality of information contained in the reports. Transmit reports to the proper recipients.

1.11. Budget processing

Links to Z22 (listed alphabetically)	
Name	Description
Account for the Receipt and Disbursement of Funds	Account for the receipt of funds. Track the utilization of budgeted funds, as well as charges made against other funding vehicles. Perform closing routines at the end of each budget period.
Prepare and Justify Budget Proposals	Initiate budget requests. Prepare all the supporting documentations needed for submission. Make budget request presentations, if necessary.
Prepare Federal Budget Reports	Prepare budget reports that describe the status of each budget item.
Set Up Accounts for Budgetary Items	Establish a unique identifier for each budget item. Create special general ledger accounts for recording disbursements out of each specific funding authorization or budget release.